Press Release

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Beijing Tuyuan Information Technologies Co., Ltd. [**Tuyuan Technologies**]

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China's Commercial Global Crop Monitoring System

Tuyuan Technologies have today announced the signing of an agreement in Beijing, which represents the final step for Tuyuan to initiate the first commercial Global Satellite Crop and Environment Monitoring System throughout the World to be based in China. The technology is protected internationally under Intellectual Property Rights (IPR) and has been developed and provided by Bolton Associates, a specialist Earth Observation (EO) strategist consultancy domiciled in Malaysia with offices in Perth Australia. Tuyuan Technologies is a majority owned and controlled China Company.

The Tuyuan Technologies global monitoring system is based on the near-real-time on-line processing of raw Synthetic Aperture Radar (SAR) telemetry obtained from existing and new satellites continually orbiting the Earth, and outputting predictive crop and environmental statistics, and critical risk factors from all countries in the world on a daily basis through a Virtual Private Network (VPN) integrated into the Internet infrastructure.

Mdm. Zeng of the National Planning Commission in Beijing, said, "we are totally enthusiastic and supportive about this initiative by Tuyuan Technologies as we know their ability and we have independently investigated and validated this technology over the past year. We believe that the timing is right and the launch of these services complements China's ambitions to become the World leader in terrestrial space monitoring technology."

A three year international market study has identified and contacted perspective and highly interested clients around the world in areas of commodity brokers and traders, food traders and industrialists, reinsurance, risk and insurance organizations, bankers, government agencies and international institutions. The study has also indicated an annual market for such highly volatile information in the billions of dollars (US) and where today there is no competition and no other such monitoring system in place.

Tuyuan Technologies will centralize global market statistics derived from its commercial strategic partners from all countries and regions in the world. Currently, Tuyuan Technologies is in final negotiations with commercial organizations in Australia, France, Malaysia, Thailand, Indonesia, USA, Spain and Italy. Other potential and interested parties in other countries have been identified and this process remains as a continuing high priority for its sales and marketing investment strategy.

Dr. Zhou said that "This commercial enterprise is directly in-line with China's policy to initiate and for China to become the global leader in responsible Earth monitoring in the fields of food crops, the environment, water resources utilizing satellite technology. China is developing a vast array of satellite sensors, 5 of which are SAR satellites to be launched and intended to become operational in the very near future. Our intention is to assist China in this role by be able to raise through our investment exercise and revenues the necessary capital for the cost of the satellites, their launch and operations."

“Our system has been developed over the past 10 years and was conceptual designed in 2000. It has had the validation of the World Bank after trials in 6 countries and has received development financing from the European Space Agency (ESA) with trials in Indonesia, Thailand, Cambodia, China, Vietnam, South Korea, Philippines. Other test sites have been carried out in Japan and India and elsewhere. The resulting accuracy of this proven systematic approach to our applied technology indicate accuracy in predictive crop results of ~97% - far more accurate and precise that any other method under consideration.”

“By the utilization of SAR satellites which can obtain data 24 hours per day and is weather independent, that is, it can obtain data through clouds, which optical satellite sensors cannot, we can not only guarantee the receipt of the data but we can predict crop statistics to rigid scientific specifications through extracting the planting dates from the unique temporal signatures and then monitoring for changes from floods, etc, through regular monitoring. No other system can do this and we have gone through extensive scientific testing that leaves absolutely no doubt whatsoever, as to the integrity of our approach.”

Currently the Earth is going through dramatic climate changes leading to many unknowns in global rainfall patterns and the necessary available water for the planting of crops such as rice. Rice is the most important food crop today and rice is grown in areas where cloud cover on a daily basis is almost constant. All countries that produce food crops are experiencing crop deficiencies and food stock reserves have diminished dramatically over the past few years. There is now an urgent need for an efficient and low cost commercial global monitoring system that will allow global planners to minimize the dramatic effects of drought and other types of climatic imposed crop devastations and to maximize responsible management tools that will effect efficient food management and distribution. Tuyuan intends to become the global leader in this position.

Today, global disasters are regularly devastating crops and the global food supplies. The ‘Risk” industries, such as reinsurance and insurance, require a more timely and precision system to equate risk probability than that which is available today. The reduction of global poverty needs to minimize risk to be able to get financial services to the farmers that produce the crops. Commodity Traders and the distribution industries want greater transparency knowledge in order to maintain the food market capitalization balance while farmers demand a better and more secure standard of living. Tuyuan Technologies through its commercialization of its Global Satellite Monitoring System brings a low cost rationalization to these demanding markets.

Food Security issues are becoming of critical importance to most countries of the World due to the climatic changes, growing populations and industrial demand in developing countries. Dr. Zhou said “Our system will eventually permit a complete knowledge of food security issues, in a current time framework, instantly and predicatively, internally, regionally and nationally in comparative reference to such issues over the whole globe and will allow for the smooth interchange of trade and diplomacy that will bring peace and human interchange to new levels.”

Other areas in which the Tuyuan Technology system is ideally suited for is desertification, land use, land conversion, pollution, soil moisture, coastal management, forest management and terrestrial management including infrastructural planning. The commercial distribution of predictive crop outputs such as rice, wheat, maize and soya are identified as the initial core products but these will be expanded as the enterprise and the marketing evolves.

“By having developed a commercial participation of an all country “Strategic Partnering” in this enterprise with a sharing of global revenues produced by our central commercial marketing strategies, while securitizing internal Food Security concerns, all members of this alliance stand to gain considerable advantages and revenues at a very low cost” Dr Zhou said.

China is currently developing the necessary satellites required by Tuyuan Technologies through the Chinese National Space Administration, headed by Luan Enjie, which will be available operationally in 2007 and a high level of co-operation is planned between all relevant Agencies for this enterprise to be a major China initiative for global monitoring. It is planned in the interim period to draw data from the ESA Envisat satellite, Radarsat-1 and currently planned SAR satellite missions by Japan, India, Germany, Italy, France and others. All testing to date has been done utilizing Envisat, ERS and Radarsat-1 data in collaboration with ESA and RSI and others.

Launch of the Tuyuan Technologies service will beginning nationally in 2005 with a limited global service beginning in 2006. The first priority is to establish the home base processing facility in Beijing during 2004 while training our staff in international sales and marketing for both investor and strategic partner relations. The technology is in place while the focus is now on its establishment in the commercial environment while building the commercial network. Arrangements have been made for training by a small group of foreign expertise to begin immediately.

About:

Beijing Tuyuan Information Technologies Co., Ltd.

Tuyuan Technologies is a specialist information technology specialist based in Beijing which carries out the development of geographic based systems for the China Government and its Government Agencies. Headed by Dr. Zhou Xintie, Tuyuan is highly respected and experienced in the fields of Geographic Information Systems (GIS) and satellite remote sensing with over 30 years experience in the academic arena and 10 years in commercial applications.

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